Academy and Naval Acadamy Examination (NDA & NA) and the Combined Defence Services Examination (CDS) for admission to various Defence Academies. The syllabi for these examinations contain English as a subject paper. The question papers for both the examinations are of objectives type (multiple choice).

(c) Good knowledge of English is preferable for higher officers of defence services.

(d) Yes, Sir.

(e) The issue of introduction of Hindi as a medium of NDA & NA and CDS examinations is at present under the consideration of the Government.

**Power to ERCs**

3502. SHRI ABANI ROY : Will the Minister of POWER be pleased to State :

(a) whether the attention of Government has been drawn to the media report captioned 'Power lack teeth, study';

(b) if so, whether the Electricity Regulatory Commissions in the country are not given adequate powers to deal with various problems;

(c) if so, the facts thereof and whether Government purpose to give more powers to ERCs; and

(d) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA) : (a) Yes, Sir.

(b) to (d) The Electricity Regulatory Commissions (ERC) Act, 1998 provides for powers and functions of Central Electricity Regulatory Commission (CERC) as well as State Electricity Regulatory Commissions (SERCs). Functions of CERC are stipulated in section 13 of the ERC Act. As regards SERCs, States have been given flexibility in regard to setting up of Regulatory Commissions as also in terms of conferring certain functions on them. Sub-section (1) of section 22 of the Act stipulates mandatory functions of SERCs while Sub-section (2) of section 22 provides for optional functions which may be conferred upon the

SERCs by the State Government if they so choose. While the thrust of the ERC Act, 1998 was primarily on transferring powers of tariff fixation/regulation to the Regulatory Commissions, the Electricity Bill, 2003 as passed by Lok Sabha has provisions empowering the Regulatory Commissions on some other aspects of regulation as well.

**Subsidy on interest on loan given to rural electrification projects**

3503. DR. C. NARAYANA REDDY :

SHRI C. RAMACHANDRAIAH :

Will the Minister of POWER be pleased to State :

(a) Whether it is a fact that the group of Ministers has decided that subsidy should be given on interest on the loans for rural electrification projects;

(b) if so, the details in this regard; and

(c) by when, the final decision will be taken ?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA) : (a) Yes, Sir.

(b) The salient features of interest subsidy scheme under Accelerated Rural Electrification Programme (AREP) are :

(i) The interest subsidy will be at the rate of 4%.

(ii) The interest subsidy would be provided as grant for the loans to be taken for rural electrification of un-electrified villages including dalit bastis, hamlets and households. Rural Electrification would be through Conventional as well as Non-Conventional sources of energy.

(c) On recommendations of the Group of Ministers (GOM), the Government have approved a total grant of 563.87 crores for the Tenth Plan as interest subsidy on 13-3-2003 on loans for rural electrification of un-electrified villages under Accelerated Rural Electrification Programme (AREP).